

Turning Data Into Insights: The Power of a Centralized Data Warehouse

October 28, 2009 By Ken Rabinoff-Goldman, DC

Have you ever asked your information technology (IT) group for the answer to a question, only to receive an inadequate response (or no response at all)? It's hard to fault the personnel. IT departments in the healthcare world are all too often over-tasked and understaffed. Typically, they are too busy with daily operations and systems maintenance to deal with requests that fall outside their normal duties. Items found on the chopping block often include marketing initiatives and/or requests for business intelligence.

To remain competitive in an increasingly competitive healthcare industry, organizations need high-level answers and in-depth insights — about patients, about the physicians they work with or the physicians that refer to them. How can you get the information you need to make key decisions on a day-to-day basis?

For many healthcare providers, the solution is a centralized data warehouse that stores a wide range of electronic information, from patient records to marketing data. As providers throughout the country look for ways to optimize American Recovery and Reinvestment Act (ARRA) funds earmarked for healthcare IT, this is the perfect time to take a close look at data warehousing and the benefits it provides.

The components of a data warehouse

If your organization is like most, you compile massive amounts of data but do very little with the information. By centralizing all of your data in a single place, you're in a position to extract insights that can be valuable in many areas, including patient retention, reactivation and acquisition. Most data warehouses include the following:

- » Patient records
- » Inbound marketing data, including call centers and Web sites
- » Donor and fundraising data
- » Physician information

Every day, healthcare professionals use science as the basis for medical care and treatment, yet the vast majority of organizations are only beginning to infuse science into marketing efforts, market planning processes and in driving answers to key business questions. Just as data can drive better medical decisions, it can lead to greater effectiveness and efficiency in other organizational functions.

Who are your patients?

One of the biggest benefits of a centralized warehouse of data is the incredibly accurate picture it provides of your patient base. Many healthcare executives presume that they have a clear view of their patient population, only to be surprised by what the data reveals.

By linking your patient records with information from external databases, you can develop a precise picture of who your patients really are, including the demographic, financial and behavioral characteristics that set them apart from other patients in a market that you currently serve. You can also understand the differences between your "best, average and worst" patients and "best, average and worst" referral sources, whether it be system-wide, facility specific or within targeted service lines/specialties.

In addition, by having all of your patient records in one place, you can capture information at every touch point — from pre-op visits to surgeries, from phone calls to Web interactions.

Turning raw data into marketing insights

Once you have all of this information, what can you do with it? A data warehouse provides benefits in many areas:

- » Acquire new patients and new referrers. Once you know the profile of your best patients and

best referral sources, you can examine your markets of service (or future interest) for people that “look” just like them. As a result, you’ll know exactly who should receive your marketing messages and who should not. The more targeted your prospect list, the greater your return on investment (ROI).

- » Retain your best patients. You’ll know who your best patients are, based on metrics and evaluation methods that are important to you. This will allow you to optimize your efforts to have them come back when next they may need your services.
- » Maximize marketing dollars. By truly knowing the target patient population and the target referral sources that you are after, your media plans will have less waste and higher return.
- » Minimize patient churn. Analysis of data can be useful in predicting those patients that are likely to churn. This proactive information allows you to have strategies in place to communicate with these patients before you lose them.
- » Develop long-lasting patient relationships. Once you attract new patients into your network of care, it is critical to convert them to life-long patients. Data warehousing allows you to drill down and filter information to yield valuable “business intelligence.” For example, you’ll know how much you’re spending on patient acquisition, and how long it will take to break even on new patients. You’ll also know how much annual revenue comes from top-tier patients and the average patient value at different stages of the patient relationship.
- » Ease the burden on your IT department. In most healthcare organizations, the IT department is simply not equipped to perform the level of analytics needed to solve for marketing, market planning and business intelligence questions. By outsourcing this work to experts, you can enable your staff focus on what they do best while gaining the insights that you need.

For healthcare systems, the time is now.

As networks of all shapes and sizes continue their EMR conversions, the benefits of housing all pertinent information in a singular location will become increasingly evident. Those proactive

providers that factor a data warehouse into their current and long-term processes will remain on the leading edge of the industry – and far ahead of the competition.

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